DREDGED MATERIAL MANAGEMENT OFFICE

DREDGED MATERIAL MANAGEMENT OFFICE (DMMO) ANNUAL REPORT

January 1, 2003 through December 31, 2003

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I. INTRODUCTION

The multi-agency Dredged Material Management Office (DMMO) was established to foster a comprehensive and consolidated approach to handling dredged material management issues to reduce redundancy and delays in the processing of dredging permit applications, while ensuring environmental protection. The DMMO, in part, grew out of the Long Term Management Strategy for the Placement of Dredged Material in the San Francisco Bay Region (LTMS), which was started in 1990.

In 1995, the LTMS agencies formed a pilot DMMO, under existing authorities and budgets. The DMMO member agencies are the US Environmental Protection Agency, Region IX (EPA); the US Army Corps of Engineers, San Francisco District (USACE); the San Francisco Bay Regional Water Quality Control Board (RWQCB); the San Francisco Bay Conservation and Development Commission (BCDC); and the California State Lands Commission (SLC). The USACE acts as the "host" of the DMMO. The California Department of Fish and Game (CDFG) and NOAA Fisheries actively participate in the DMMO as commenting resource agencies. In 2003 the pilot status was changed to a permanent status and the MOU was rewritten.

The roles, responsibilities and jurisdictions of the DMMO agencies differ, depending primarily on the proposed dredged material disposal or reuse site. As a result, member agencies may play only an advisory role in certain aspects of the permitting process. Decisions made by the DMMO do not in any way supersede the primary roles of the permitting agencies, which remain free to accept or reject recommendations, including those of the DMMO staff. In practice, however, the discussions at the DMMO meetings help inform the permitting agencies of specific concerns and issues of the member agencies, often before finalization of project documents.

This encourages and facilitates necessary project modifications at an early stage in project planning when such changes are more easily and economically accomplished.

The DMMO facilitates the processing of dredging permit applications within existing laws, regulations and policies. It was specifically designed to provide a mechanism for consistent review of permit applications, sediment quality and suitability of disposal options through coordinated efforts by DMMO member agencies. It also provides a mechanism to allow the involvement and participation of permit applicants and interested parties during the application process. No new regulatory statutes were initiated in the formation of the pilot DMMO. All applicable regulatory authority and processes of the member agencies remain in full force and effect. The DMMO meetings are typically held twice monthly at the USACE offices in San Francisco and are open to the public.

The USACE posts meeting schedules and agendas one week before the scheduled meeting on the DMMO Web site (http://www.spn.usace.army.mil/conops/dmmo.htm) and sends electronic copies of these items to members of all pertinent resource agencies (e.g., CDFG, NOAA Fisheries, and the U.S. Fish and Wildlife Service).

The DMMO generally reviews projects geographically located in the San Francisco Bay Estuary up to Sherman Island, its major tributaries to the point where navigation is no longer feasible, upland areas surrounding the estuary, and the ocean disposal site designated by the EPA (the San Francisco Deep Ocean Disposal Site, or SF-DODS)¹.

The DMMO has been meeting regularly since 1996. Procedures for its operation are documented in a Memorandum of Understanding signed by the DMMO agencies and in the formal General Operating Principles (available on the DMMO Web site). These procedures include publication of annual progress reports and annual public meetings. This report covers the period from January 1, 2003, through December 31, 2003. The annual meeting to discuss activities of the DMMO during 2003 is scheduled for April 23, 2004.

II. ACCOMPLISHMENTS

During 2003, the DMMO continued to accomplish the goals and objectives set forth in the 1995 General Operating Principles. The DMMO continued review of dredging project proposals, prepared guidance documents, maintained the DMMO Web site, participated in a number of working groups relevant to the DMMO efforts, and continued staff education activities. These efforts are described below.

A. PROJECT REVIEW

The DMMO discussed 57 projects during the year (see Appendix A for details). The DMMO made final recommendations on most of the projects, proposing a total of approximately 3.1 million cubic yards of sediment to be dredged (plus the Corps of Engineers projects – no DMMO letters were written to document the volumes approved and these volumes were not clear from the minutes kept for the meetings). Table 1 provides a summary of the projects reviewed by the DMMO in calendar year 2003.

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¹ Please note that the jurisdictions of the member agencies differ. The geographic area defined here represents an inclusive description of these jurisdictions.

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Disposal Type	cubic yards	%	cubic yards	%	cubic yards	%	
In-Bay	2,091,828	50	968,833	46	1,122,995	54	
Ocean	1,443,293	34	1,443,293	100	0	0	
Beneficial reuse	648,128	16	258,350	40	389,778	60	
Total	4,183,249		2,670,476	64	1,512,773	36	

Table 1. Dredged material disposal during calendar year 2003

Over half of the material was disposed in-Bay. A little more than one third of the material was disposed at the two ocean sites and represents three USACE projects: maintenance dredging of Oakland Harbor, of the Richmond Inner Harbor and of the San Francisco Bar Channel. The remaining material, 16%, was utilized for beneficial reuse at various locations, including drying ponds (with later reuse as construction fill or for levee maintenance), landfills (for daily cover) and Winter Island (for levee maintenance). This pattern is similar to that for projects reviewed during 2002.

In 2002, the proportion of material recommended as unsuitable for unconfined aquatic disposal was similar to the average for previous years. In 2003, 3% of material fell into this category; historically this value has been below 5%. The unsuitable material was all from maintenance dredging projects, most of it from projects (the Ports of San Francisco and Oakland, Foster city, Bel Marin Keys, and the San Rafael Creek channel) that proponents decided it was more expeditious to dispose of the material out of the Bay rather than undertake additional testing that may have modified the suitability recommendations for in-Bay disposal. The DMMO did not approve Tier I determinations for the City of Emeryville Marina, some of the San Rafael Creek berthing areas, Corinthian Yacht Club, the Port of Redwood City, the Strawberry Channel or Greenbrae Marina. Material from these projects will require testing before DMMO can make suitability determinations.

The DMMO process is just a portion of the permitting process for dredging proponents. After obtaining a suitability recommendation on sediment quality from the DMMO, project proponents must obtain authorizations from the appropriate regulatory agencies, secure funding, and arrange for a dredging contractor to perform the work. These additional steps can take weeks to years. Therefore, the numbers disclosed in this report cannot be used to predict, for example, in-Bay disposal in 2004. For some of the projects in Table 1 and Appendix A (Projects Reviewed by DMMO or Dredged in 2003), dredging was completed in 2003. For other projects, dredging may not occur for some time.

B. DREDGING AND DISPOSAL VOLUMES FOR 2003

The USACE tracks actual dredging and disposal volumes, and provides quarterly reports of these volumes to the other DMMO agencies. The complete annual report of disposal volumes is available from USACE. Appendix B (Projects and Monthly Volumes for 2003), Appendix C (Projects and Disposal Sites for 2003) and Appendix D (Disposal sites and Monthly Volumes for 2003) contain more detailed information that summarizes the actual dredging and disposal volumes for calendar year 2003 Also included are five graphic representations of the dredging

volumes. Approximately 4.2 million cubic yards of material were disposed during the year. The total amount of in-Bay disposal in 2003 was below the LTMS target of 2.3 million cubic yards per year during the first transition phase. The next transition target will be 2.0 million cubic yards per year for the period from 2004-2007.

C. CHANGES IN PERSONNEL FOR 2003

During 2003, funding, personnel changes and retirements were key factors in how business was conducted.

The USACE group started out with one coordinator, one regulator and two support personnel. After many requests from the dredging community, a second regulator was hired in June. In September both of the support personnel retired with only one of these positions backfilled by another USACE employee from another section. These changes left the coordinator with many challenges including: a search for another replacement and training of the new employees about dredging; along with trying to keep up with the regular workload.

The RWQCB group started with one full time position and one less than full time position. Due to funding cuts, the partial position was lost, leaving one staff person and one supervisor to fill all of the gaps.

The BCDC group started with two full time DMMO members and, due to funding cuts, one was laid off in August, leaving only one person to fill all of the gaps.

The EPA DMMO member transferred out of the state about the middle of the year, but EPA was fortunate to be able to fill the spot with a well qualified previous member of DMMO.

The SLC DMMO member was new to the group at the beginning of the year and was increasingly involved throughout the year.

The CDFG resource agency member, who had been a regular for some years at the biweekly meetings, was promoted and the position was filled by another employee from the Monterey office. At the end of the year, this new employee transferred to another job and yet another CDFG person from the Monterey office with no previous dredging experience was started in their dredging education.

The other resource agencies, NOAA Fisheries and FWS, became increasingly involved with the environmental workgroup windows and consultations. Fortunately for the DMMO, they remained constant for the year.

In summary, the biweekly DMMO meetings were attended in January by about 10 regulars and occasionally a few resource people. By the end of September, there were only 4 regular seasoned DMMO members and one seasoned replacement with three members that were new to dredging. These major personnel changes caused many of the planned improvements for the DMMO to continue at a much slower pace for completion (see sections below).

D. UPDATE OF MOU FOR THE DMMO

DMMO staff was working to update the implementing Memorandum of Understanding (MOU) to reflect the change from a pilot program to a permanent office. The DMMO members expected management to sign a new MOU documenting this change in status, as well as expanding the role of the DMMO in the LTMS (e.g., as the initial point of contact for all

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dredging projects in the San Francisco Bay area, regardless of their proposed disposal/reuse location) sometime in calendar year 2003. A draft was written late in 2002 and circulated in 2003, but no final action was completed by the end of 2003.

E. DMMO WEB SITE

The USACE initiated the DMMO Web site (www.spn.usace.army.mil/conops/dmmo.htm) in June 1998, and continued to maintain and update it. The Web site continued to provide access to:

DMMO meeting schedules and agendas (regular updates)
 DMMO Newsletters (posted- March 2000, January 2003)
 Dredging Permit Consolidated Application Form and Instructions (updated 9/26/03)

Other items posted but not regularly updated:

DMMO MOU and Operating Principles
 DMMO Annual Reports
 Local and federal guidance for sediment testing and dredged material management
 Links to the LTMS EIS/EIR and Management Plan
 Meeting schedules and agendas for LTMS public workshops and workgroup meetings
 Links to DMMO member agency Web sites

F. LTMS PARTICIPATION

DMMO members played an active role in developing, preparing for and participating in all the LTMS workgroups. Some DMMO staff also participated in the LTMS Program Managers' policy group and assisted in preparing for and participation in LTMS Management Committee meetings.

DMMO staff were instrumental in arranging the January, 2003, LTMS Listening Session that involved stakeholders and the status of the LTMS. Topics discussed included:

- Sediment Suitability Determinations; Documentation and rationale
- Sediment Management; Using dredging units, overdepth and advance maintenance
- Database Maintained by DMMO; More details needed, including sediment test results
- Standardized Permit Conditions; Agreement between agencies and implementation
- Alternatives Analyses; LTMS/DMMO should look into programmatically
- Staffing and Training; More hands-on dredging experiences and site visits needed
- LTMS Ground Rules; Conduct in meetings to remain professional
- Data Reporting; Statistics cannot be tracked if not reported by dredgers

G. OTHER PROFESSIONAL INVOLVEMENT

Other local efforts some DMMO members were involved in during 2003 include:

- Participation in the Harbor Safety Committee
- Involvement in the Water Transit Authority meetings and review of various documents related to expanding ferry service in S.F. Bay
- Membership in the Marine Transportation Committee, including the Environmental Subcommittee
- Membership on the Regional Monitoring Program Technical Review Committee
- Involvement in the Delta Dredging Program, including review and comment on a number of drafts of program documents and input at Delta Dredging Program meetings
- Participation in CALFED Levee and Habitat Subcommittees, coordinating potential future beneficial reuse of dredged material at Delta islands.
- EPA field activities that include annual monitoring of the SF-DODS [dredged material deposit mapping, confirmatory sediment chemistry (confirms pre-disposal testing), and collection of benthic (fauna) samples].
- EPA field activities that included collections of sediment samples from the SF-DODS reference site to run bioassays in order to add amphipod and worm survival data points to the SF-DODS reference site database.
- EPA managing a compliance assistance and compliance monitoring project (via contract). The compliance assistance provided by EPA ensures that dredgers are using the appropriate compliance monitoring equipment on their disposal vessels.

H. 2002 ANNUAL MEETING

The DMMO held its 2002 Annual Meeting on May 9, 2003; where copies of the 2002 Annual Report were provided and the report was discussed including:

- New In-Bay Disposal Volume Limits for 2004 –2006 and LTMS Implementation
- Dredging Tracking System with GIS Technology
- Beneficial Reuse Sites (Montezuma, Hamilton, Winter Island, Sherman Island, Port Sonoma, Mare Island and SF-8)
- New Guidance
 - Alternatives/Feasibility Analyses Guidance
- Testing and Test Results Toxicity Study Update
 - Database Development
 - Summing Non Detects
- Environmental Windows Update by Work Group
 - Short Term Work Group
 - Science and Data Gaps Work Group
 - Operations and Technology Work Group
 - Confounding Factors Work Group
 - Funding Work Group

NOAA Green Ports Pilot Project and NOAA Fisheries GIS System

The DMMO continued the important and timely process of assisting dredgers, large and small, to coordinate their projects to make the best use of available equipment, to initiate informal consultation with the resource agencies, and to ensure that all projects can be dredged in an environmentally- and economically-sensitive fashion.

I. ENVIRONMENTAL WINDOWS WORKGROUP

In response to input at the DMMO 2002 Annual Meeting, the Environmental Windows Work Group was initiated as part if the LTMS to address concerns of the dredging community regarding the programmatic biological opinions for dredging and disposal in San Francisco Bay that were included in the LTMS Management Plan. These meetings continued throughout 2003. The Environmental Windows Work Group included regulatory and resource agencies, such as USACE, EPA, BCDC, NOAA Fisheries, U.S. Fish and Wildlife Services, and the CDFG. Stakeholders, such as small marinas, the Ports of San Francisco and Oakland, the Bay Planning Coalition, the Dredging Action Committee, and members of the dredging industry were also active participants. In 2003, these multi-stakeholder groups continued to hold Short Term Solutions meetings and Long Term Solutions meetings. The five new work groups that were formed in 2002 to focus on specific issues (Science and Data Gaps, Technology and Operations, Herring, Confounding Factors and Funding) also continued meeting.

J. KNOCKDOWNS

DMMO members realized the efficiency of the judicious use of "knockdowns" (i.e., operations wherein high spots are smoothed into deeper adjacent areas within the permitted dredging footprint). In 2003 knockdown events were authorized in at least four large projects: Valero Refinery, the Port of San Francisco, the Port of Oakland and the USACE maintenance in Oakland Harbor. When a full dredging operation was anticipated, the material from the knockdown was then characterized in the usual fashion and removed. This procedure proved to be more efficient for the project proponents, while still ensuring that adequate information was provided in advance of disposal.

K. SEDIMENT SCREENING GUIDELINE DEVELOPMENT

In September 2003, a draft final report for a study to develop numeric sediment screening guidelines (SSG) for wetland creation beneficial reuse of dredged material, based on regional paired sediment chemistry and benthic acute toxicity testing results, was completed. This study, funded by the California Coastal Conservancy in cooperation with the Port of Oakland, was introduced to dredging stakeholders at public informational workshop hosted by the DMMO in November 2002. Several DMMO member agency and resource agency staff commented on the draft final report. After revisions were made, the final version was released in February 2004.

Project tasks completed in 2003 included: 1) assembling into a database existing regional sediment samples with paired analytical chemical and biological effects testing results; 2) evaluating the accuracy of existing SSG at predicting acute amphipod toxicity in Bay sediments; 3) developing regional SSG that optimized the chosen performance metrics and 4) preparing a report documenting the development of revised SSG and a procedure for updating the SSG with additional data and/or changes to the performance metrics used to evaluate accuracy.

Discussion of the conclusions and recommendations of the study will take place at one or more regularly scheduled DMMO meetings during 2004.

L. DMMO STAFF EDUCATION AND TRAINING

During 2003, the DMMO agencies continued to include education and training, both internal and external, as a primary objective. Education and training include informal internal workshops regarding the roles, regulations and responsibilities of the member agencies; site visits; and participation in regional and national meetings and workshops relating to dredging and dredged material management. "Internal" training, such as site visits, is imperative to agencies' understanding of a particular project or process (e.g., hopper dredging). Similarly, internal meetings, workshops and retreats, addressing coordination and communication, are necessary to ensure that DMMO members continue to work well as a team. Also important is "external" training, where DMMO members learn what other groups and entities dealing with dredging and dredged material management are doing, nationally and internationally.

During 2003, the DMMO accomplished a number of our training goals. These are summarized below.

Internal/Regional Training:

- DMMO coordination, policy and self-evaluation retreat in January
- CalFed science conference in Sacramento
- Regional Board, Germano Associates presentation for Sediment Transport in July
- Regional Board PCB workshop in August
- Regional Board mercury TMDL workshop
- Information session on new positioning systems for dredgers

Site Visits to:

- Oyster Cove, Oyster Point, and Brisbane Marina
- Bel Marin Keys project site
- Port Sonoma dredging and upland disposal site
- Martinez Marina dredging project
- Schoonmaker and Marina Plaza Marinas
- San Rafael Canal Homeowners dredging sites

External Training:

- Regional Monitoring Program Annual Meeting in Berkeley
- Environmental Stability of Chemicals in Sediment in San Diego
- Contaminated Sediment Assessment Seminar in Denver
- Contaminated Sediment Assessment Seminar in Portland
- Silent Inspector training in Portland
- Silent Inspector training in San Francisco
- Regulatory I Prospect class
- NorCal SETAC Annual meeting

III. ON-GOING AND FUTURE ACTIVITIES

As the agencies continue implementation of the LTMS, DMMO finds that its responsibilities continue to increase. The DMMO recognizes that it forms the first portal of entry for many project proponents, both experienced and those new to the LTMS process. The DMMO accepts and appreciate this role. For many dredgers, contractors and consultants; the DMMO constitutes a well-known body, versed in both the various regulations of its member agencies, as well as LTMS principles and goals. It has been particularly rewarding to find that project applicants, even when dredging is a minor part of their proposed project, wish to bring the project to DMMO. The purpose and goal is to ensure that DMMO continues as a body wherein applicants can expect to find consensus, clarification of the various regulations, and a united recommendation. On-going and proposed future activities of the DMMO are described below.

<u>Coordinated review of project proposals</u>: The DMMO will continue to coordinate review of dredging project permit applications. Based on experience, the DMMO expects to be increasingly involved in review of projects proposing disposal of dredged material at the ocean disposal site and at beneficial reuse sites.

<u>Environmental Work Windows</u>: Again in 2003, the DMMO agencies made great strides in the area of environmental windows (see above). The DMMO agencies have every intention of continuing the work and expanding upon previous successes.

<u>Project tracking for LTMS planning</u>: Included in Appendix B to this report are the monthly volumes dredged during 2003 listed by project. Section II (A & B) of this report provides summary tables and discussion of these data. The DMMO will continue to track this information and make summaries available to the LTMS agencies for planning purposes. In addition, the USACE maintains monthly project tracking of the in-Bay disposal sites to ensure that monthly disposal limits are not exceeded and that disposal at SF-11 minimizes the potential for dangerous mounding. The EPA tracks disposal at SF-DODS.

<u>Regional Implementation Manual</u>: When funding and personnel are available, the DMMO will again consider development of a Regional Implementation Manual. The DMMO remains committed to completion of a comprehensive manual compiling testing requirements for dredged sediment disposal at beneficial reuse, in-Bay and ocean sites based on Federal and State regulations and guidance.

Analyses of Alternatives for Disposal Sites other than In-Bay: During the 2003 calendar year, more and more emphasis was put on project proponents looking for alternatives to in-Bay disposal for their dredged material. With the step down of LTMS goals taking effect in 2004, a repeat of a year such as 2003 (with 2.1 million cubic yards disposed in-Bay) will certainly raise a warning flag that the LTMS goal for the next three year step down period may not be achieved. With this in mind, the DMMO was more involved in 2003 in the review of these analyses. Approximately 12% (30/245) of the DMMO meeting's agenda items in 2003 were for review of alternatives analyses. These discussions included 18 of the 57 projects. In fact, the Management Committee felt that this topic was important enough to make an effort to issue guidelines to the dredging community to encourage other that in-Bay disposal. This guidance was to be issued early in 2004.

IV. CONCLUSIONS

The DMMO continues to improve the review of dredging project proposals, encourage intra- and inter-agency consistency in the decision making process, while ensuring environmental protection. The DMMO continues to expand its role in dredging and dredged material management in the Bay area by increasing the review of projects proposing upland and ocean disposal, by participating in the LTMS implementation process and other groups associated with dredged material management, and by furthering public participation in the process. Although the DMMO has made strides toward the goals this year, without additional funds further improvement in the DMMO services to the Bay Area dredgers such as; a fully functional database, more timely guidance, and truly applicable sediment quality guidelines, further improvement in the DMMO services to the Bay Area dredgers appears unlikely in the near future.